

Introduction

1. This paper provides updated information on the previous minute of the Performance Audit Committee.

Recommendations

2. The Committee is asked to note:
 - The attached minute.
 - Any other updates provided at today's meeting.

Updated information

3. At its meeting on 9 March 2023, the Commission approved the attached minute as a correct record.
4. The Commission also noted that there were no specific recommendations made by the Committee.

Minutes

Performance Audit Committee
Thursday 23 February 2023, 11.30am
Online via Microsoft Teams



Present:

Christine Lester
Andrew Burns
Sheila Gunn

Other Commission members in attendance:

William Moyes
Tim McKay
Malcolm Bell
Ruth MacLeod

Apologies:

Apologies were received from Sophie Flemig.

In attendance:

Antony Clark, Executive Director of Performance Audit and Best Value (PABV)
Carol Calder, Audit Director, PABV (Item 6)
Gemma Diamond, Director of Innovation and Transformation (Item 6)
Blyth Deans, Senior Manager, PABV
Helena Gray, Controller of Audit
Zoe McGuire, Audit Manager, PABV (item 6)
Martin McLauchlan, Policy Manager
Kirsty Ridd, Audit Manager, PABV (Item 6)
Dharshi Santhakumaran, Senior Manager, PABV (Item 6)
Rebecca Seidel, Senior Manager, PABV (item 5)
Kathrine Sibbald, Senior Manager, PABV (item 6)
Sally Thompson, Senior Manager, PABV (item 5)
Catherine Young, Senior Manager, PABV (Item 6)

1. Apologies for absence

It was noted that apologies for absence had been received from Sophie Flemig.

2. Declaration of connections or conflict

No declarations of connection or conflict were made.

3. Minutes of meeting of 24 November 2022

The minutes of the meeting of 24 November 2022 were noted, the Commission having previously approved them as a correct record and agreed the recommendations therein.

4. Risk assessment and implications for the work programme

This item was subject of a joint meeting with the Financial Audit and Assurance Committee and is contained in a separate minute.

5. Climate change – potential future audit work

The Committee considered a report by the Executive Director of PABV gathering members' view on areas of potential future audit work on climate change to inform future discussions on the work programme.

During discussion, the Committee:

- Noted advice from Andrew Burns, in his role as a sponsor of this area, and Antony Clark that pathways to net zero (heat in homes and sustainable transport) should be the prioritised area of focus, noting the difficulties in quantifying aspects of behavioural change.
- Sheila Gunn noted the importance of recognising the progress made on heat in housing and the potential to note significant good practice examples as part of this work.
- Tim McKay raised the importance of behavioural change being considered throughout our work on climate change.
- Agreed, following a query from Sheila Gunn, that there is a need for complete clarity on how we are interpreting 'adaptation' within the context of our work and outputs.

Following discussion, the Committee:

- Noted the report.
- Noted the plan to undertake scoping work on the topics identified as priority areas of interest by the Commission and Auditor General.

6. Workforce and assets – cluster discussion

The Committee considered a report by the Executive Director of PABV on the role of workforce and assets in managing resources in local government.

During discussion, the Committee:

- Andrew Burns raised the need to consider variation across councils, both in size and capacity, and consideration of collaboration forming an important aspect of this. Carol Calder agreed this point, and how it links to the wider public sector reform agenda. Antony Clark emphasised the importance of intra-UK and international comparisons as part of this.
- Sheila Gunn noted the need to consider the system from 'the bottom up' (i.e. user needs must be the primary consideration).
- Antony Clark raised the possibility of holding a roundtable, or roundtables, as part of ongoing work, bringing together smaller and rural councils and then larger authorities. This was welcomed by the committee.

Following discussion, the Committee:

- Noted the report.
- Asked Antony Clark to give further thought as to how the proposed roundtable(s) sit within the ongoing wider work programme refresh.

Action: Director of PABV

7. Any other business

The Chair, having advised that there was no business for this item, closed the meeting.

Close of meeting

The meeting finished at 12.30 pm.

Minutes



Joint meeting of the Financial Audit and Assurance and Performance Audit Committees

Thursday 23 February 2023, 11.10am

Online via Microsoft Teams

Present:

William Moyes
Andrew Burns
Andrew Cowie
Sheila Gunn
Christine Lester
Tim McKay
Geraldine Wooley

Other Commission members in attendance:

Malcolm Bell
Nichola Brown
Ruth MacLeod

Apologies:

Sophie Flemig

In attendance:

Antony Clark, Executive Director of Performance Audit and Best Value (PABV)
Blyth Deans, Senior Manager, PABV
Helena Gray, Controller of Audit
Martin McLauchlan, Policy Manager
Mark Taylor, Audit Director, PABV

1. Risk assessment and implications for the work programme

The Committees considered a report by the Policy Manager providing an updated assessment on business and audit risk.

During discussion, the Committees:

- Noted and welcomed the increased explanation of the risk assessment.
- Andrew Cowie expressed the view that risk around the wider Commission Support Team should be assessed to take into account wider resourcing issues.
- Christine Lester noted the abeyance of the SSG would suggest a degree of uncertainty in this area that may require the risk assessment to be reassessed.

- Geraldine Wooley raised risks around the progress of the PWF. Noted advice from Blyth Deans, in response, that further information could be provided to members as an interim step.

Action: Blyth Deans

Following discussion, the Committees:

- Agreed the assessment of the controls in place in relation to business risk, subject to the issues raised above.
- Agreed the assessment of the audit response in place in relation to audit risk, subject to the issues raised above.
- Agreed that there was no specific action required to inform the next refresh of the work programme at the Commission's March meeting but noted the dynamic nature of the programme and the opportunity to influence the programme at the annual Strategy Seminar.

2. Any other business

The Chair, having advised that there was no business for this item, closed the meeting.

Close of meeting

The meeting finished at 11.25 am.

Introduction

1. This paper provides updated information on the previous minute of the Performance Audit Committee.

Recommendations

2. The Committee is asked to note:
 - The attached minute.
 - Any other updates provided at today's meeting.

Updated information

3. At its meeting on 11 May 2023, the Commission approved the attached minute as a correct record.
4. Noted that there were no specific recommendations made in respect of the Performance Audit Committee

Minutes

Performance Audit Committee
Thursday 27 April 2023, 10.45am
Online via Microsoft Teams



Present:

Christine Lester
Andrew Burns
Sophie Flemig
Sheila Gunn

Other Commission members in attendance:

William Moyes
Tim McKay
Malcolm Bell
Jennifer Henderson
Ruth MacLeod

Apologies:

There were no apologies.

In attendance:

Antony Clark, Executive Director of Performance Audit and Best Value (PABV)
Blyth Deans, Interim Secretary
Helena Gray, Controller of Audit
David Love, Senior Auditor, PABV (item 5)
Jillian Matthew, Senior Manager, PABV (item 5)
Bernadette Milligan, Audit Manager, PABV (item 5)
Ciaran Morrison, Auditor, PABV (item 5)

1. Apologies for absence

It was noted that no apologies for absence had been received.

2. Declaration of connections or conflict

No declarations of connection or conflict were made.

3. Minutes of meeting of 24 February 2023

The minutes of the meeting of 24 February 2023 were noted, the Commission having previously approved them as a correct record and agreed the recommendations therein.

4. Risk assessment and implications for the work programme

This item was subject of a joint meeting with the Financial Audit and Assurance Committee and is contained in a separate minute.

5. Performance audit: Digital exclusion - scope

The Committee considered a report by the Executive Director of PABV inviting the Committee to approve the scope of the joint performance audit on digital exclusion.

During discussion, the Committee:

- Noted and shared the audit teams enthusiasm team for this piece of work.
- Sheila Gunn highlighted the opportunity to learn lessons from the use of digital technology to deliver educational services during the pandemic.
- Sophie Flemig noted the adoption of a human rights approach and was keen to understand how lessons learnt here might apply to adopting a human rights approach in other performance audits. Sophie asked the team to consider both internal and external audiences in relation to sharing learning about taking a human rights based approach.
- Helena Gray highlighted that only 2 Council areas will form the basis of in-depth fieldwork.
- Christine Lester sought clarification on the audience for the proposed flyer, noting it spoke more to a stakeholder audience, than the wider public including those with lived experience and we mustn't lose sight of reaching out to the latter group.
- Jennifer Henderson highlighted links between the digital exclusion agenda and the wider public service reform agenda being pursued by the Scottish Government. The team agreed to amend the audit flyer to make reference to public service reform.

Action: Director of Performance Audit and Best Value

Following discussion, the Committee:

- Approved the proposed scope and approach to the performance audit on digital exclusion as set out in the audit flyer and issues and investigations matrix.
- Noted that involving people with lived experience of digital exclusion will be a key part of the audit methodology which may mean modifying the detailed scope in response.
- Approved the format and detail of the audit scope flyer.

6. Any other business

The Chair, having advised that there was no business for this item, closed the meeting.

Close of meeting

The meeting finished at 11.15 am.

Minutes



Joint meeting of the Financial Audit and Assurance and Performance Audit Committees

Thursday 27 April 2023, 10.15am

Online via Microsoft Teams

Present:

William Moyes
Andrew Burns
Andrew Cowie
Sophie Flemig
Sheila Gunn
Christine Lester
Tim McKay
Geraldine Wooley

Other Commission members in attendance:

Malcolm Bell
Jennifer Henderson
Ruth MacLeod

Apologies:

There were no apologies.

In attendance:

Antony Clark, Executive Director of Performance Audit and Best Value (PABV)
John Cornett, Executive Director of Audit Services
Blyth Deans, Interim Secretary
Helena Gray, Controller of Audit

7. Risk assessment and implications for the work programme

The Committees considered a report by the Interim Secretary providing an updated assessment on business and audit risk.

During discussion, the Committees:

- Agreed that there is no action required to inform the next refresh of the work programme at the Commission's June meeting.
- Noted that risk 2c relating to the Strategic Scrutiny Group would most likely now move to green following the meeting of the SSG this week and agreement to the revised terms of reference for the operational group.

- Noted the transition to a new method of distributing papers through Decision Time might increase the level of risk 3a- Business Process Planning and Support.
- Noted the movement in risk 1c relating to engagement with stakeholders and noted upcoming opportunities to continue that positive engagement.
- Noted a potential Business risk should the Commission not undertake further work around IJBs and the National Care Service and committed to consider this issue as part of wider discussions on the Accounts Commission Work Programme.

8. Any other business

The Chair, having advised that there was no business for this item, closed the meeting.

Close of meeting

The meeting finished at 10.35 am.

Introduction

1. This paper provides updated information on the previous minute of the Performance Audit Committee.

Recommendations

2. The Committee is asked to note:
 - The attached minute.
 - Any other updates provided at today's meeting.

Updated information

3. At its meeting on 13 September 2023, the Commission approved the attached minute as a correct record.
4. Noted that there were no specific recommendations made in respect of the Performance Audit Committee

Minutes

Performance Audit Committee
Thursday 24 August 2023, 12.00 pm
Online via Microsoft Teams

Present:

Christine Lester (Chair)
Andrew Burns
Sophie Flemig
Malcolm Bell
Jennifer Henderson
Ronnie Hinds

Apologies:

Sheila Gunn

In attendance:

Antony Clark, Executive Director of Performance Audit and Best Value (PABV)
Helena Gray, Controller of Audit
Douglas Black, Interim Secretary
Tricia Meldrum, Senior Manager, PABV (item 5)
Jillian Matthew, Senior Manager, PABV (item 5)
Mark MacPherson, Audit Director, PABV (item 5)
Sally Thompson, Senior Manager, PABV (item 5)
Carol Calder, Audit Director, PABV (items 6 & 7)
Kathrine Sibbald, Senior Manager, PABV (items 6 & 7)
Zoe McGuire, Audit Manager, PABV (item 7)
Chris Lewis, Senior Auditor, PABV (item 7)
Claire Richards, Senior Auditor, PABV (item 7)
Jillian Matthew, Senior Manager, PABV (item 7)
Ray Buist, Audit Manager, PABV (item 7)

1. Apologies for absence

It was noted that apologies for Sheila Gunn had been received.

2. Declaration of connections or conflict

Jennifer Henderson in relation to item 7, due to family connections in front-line social care in a Scottish Council.

Sophie Flemig in relation to item 5, as a member of the Scottish Courts and Tribunal Board.

Malcolm Bell in relation to item 5, as an Honorary Sheriff – of the Sheriffdom of Grampian, Highland and Islands – at Peterhead Sheriff Court.

3. Minutes of meeting of 27 April 2023

The minutes of the meeting of 27 April 2023 were noted, the Commission having previously approved them as a correct record and agreed the recommendations therein.

4. Risk assessment and implications for the work programme

This item was the subject of a joint meeting with the Financial Audit and Assurance Committee and is contained in a separate minute.

5. Justice, Education and Lifelong Learning cluster briefing

The Committee considered a briefing by the Executive Director of PABV on the Justice, Education and Lifelong Learning cluster. This focused on two topics: additional support for learning (ASL) and community justice.

During discussion, the Committee:

- Sophie Flemig noted that there is lot of pressure on the ASL system and some pathologising of the pandemic's impact. She suggested the proposed briefing paper about ASL is too service focussed and would benefit from including examples of prevention/early intervention. With regards to looking at ASL, Sophie suggested producing an output on the theme of prevention instead of the proposed audit outputs on the different topics.
- Antony Clark commented that in preparing for the drug and alcohol audit, there is likely to be a very strong prevention focus and that prevention is also a likely to be a theme in a number of other planned pieces of audit work such as in the area of child poverty. He reported that Audit Scotland is considering potentially producing an output on prevention that draws on and summarises the findings in this area from a range of our audit work as part of our ongoing interest in assessing and commenting on the effectiveness with which public service reform is being implemented.
- As regards alternatives to custody, Sophie suggested the team look at the range of bodies including all relevant partners involved in Community Justice Partnerships.

Action: Executive Director of Performance Audit and Best Value

- Christine Lester noted recently-published data showing a reduction in drug-related deaths and thanked Audit Scotland colleagues for “*all their great work*” on the drug and alcohol audit.
- Malcolm Bell suggested that instead of looking at the varied outcomes for children with ASL needs, the focus could instead be on addressing why we have so many people in the system already and looking at a preventative agenda? Malcolm also asked the team to address sustainability in alternatives to custody.

Action: Executive Director of Performance Audit and Best Value

- Andrew Burns agreed that a full performance audit on ASL should be delayed until after the new national performance framework is in place and agreed that a short sharp briefing should be published – by close of March 2024 – as a precursor, to keep the issues in focus. He also noted the substantive changes in community justice and the proposal's focus on governance, and agreed that governance and partnership working are definitely issues we should follow up on.

- Antony Clark noted that a March 2024 publication date might not be achievable for the ASL briefing because formal approval for this work has not yet been received from the Commission and the Auditor General for Scotland as scoping work has not yet begun. He noted that the paper could look at demands on, and capacity of, the ASL system before and after Covid, alongside data gaps and the prevention agenda.

Action: Executive Director of Performance Audit and Best Value

- Ronnie Hinds supported the ASL proposals in the paper and stressed the importance of highlighting data gaps as prominently as we can.

Action: Executive Director of Performance Audit and Best Value

- Christine Lester noted that the tranche of new Accounts Commission members joining it soon may have limited background on the issues being discussed and would need more background information to be included in the reports to the Commission and its committees. Antony Clark agreed that future audit reports and scoping documents would need more backstory.

Action: Executive Director of Performance Audit and Best Value

Following discussion, the Committee:

- Agreed to audit work on:
 - Additional support for learning
 - Community justice.

6. Local Government Workforce – Briefing slides

The Committee considered briefing slides by the Executive Director of PABV on the Local Government Workforce.

During discussion, the Committee:

- Jennifer Henderson noted her excitement for this piece of work and supported the ideas around innovation – encompassing artificial intelligence/automation. They bring the potential for councils to focus their staff on the roles that only people can do. She highlighted the importance of looking at this from two angles, the technology and the people.
- Christine Lester was supportive of the audit work emphasising the potential of innovative thinking and joint roles, and encouraged time to be invested in these areas; with key engagement with our stakeholders. Carol Calder advised that hybrid working, shared services and upskilling would all be looked at as part of the work.
- Ronnie Hinds sought clarification on the scope of a different piece of work being undertaken on behalf of the AGS about workforce
- Ronnie Hinds supported the proposal to produce a blog, stating that the Commission wants to think about the nature/timing of comparable work and be at the forefront of looking at these issues from a local government perspective.

Action: Executive Director of Performance Audit and Best Value

Following discussion, the Committee:

- Supported the teams' proposals on the work in this area.
- Agreed to a blog about workforce challenges, focussing on the performance management of staff and the impact of post-Covid hybrid working arrangements on staff performance.
- Noted that Ronnie Hinds would be closely involved in matching sponsors to audit projects. New committee members (probably one or two) are to be allocated to the role of sponsor of this BV-related blog upon their appointment.

Action: Accounts Commission Chair

7. Social Care: Work programme proposals

The Committee considered a report by the Executive Director of PABV on the Social Care: Work programme proposals.

During discussion, the Committee:

- Christine Lester posed the question of how public audit (the Commission, Auditor General and Audit Scotland) is going to comment on social care alone without commenting on community health; and asked for key learning from previous reports to be taken into consideration.
- Antony Clark replied that the team hopes the IJB report, with its expanded scope, will provide a platform to start commenting on these issues. The Auditor General is supportive of the Commission's voice being expressed in this area and looks forward to working together on broader pieces of work.
- Ronnie Hinds noted his excitement at plans to expand our coverage of IJBs and highlighted the need to focus on the quality of data. Ronnie also posed the question of whether it would be sensible to start with workforce as the first 'Spotlight' area if we could add greater benefit by focusing on another area? He noted that there may be limited value in audit work highlighting staffing level issues when the challenge councils face in recruiting staff is already well known. He suggested that the Commission could potentially add more value by focusing on topics such as leadership and commissioning area, where there may be greater scope for early improvement.
- Kathrine Sibbald responded that part of the rationale for proposing the focus on workforce is it is the main issue stakeholders have highlighted in relation to sustainability in the sector. She also explained that it would also allow for commentary on other issues including commissioning as there are such close links. .
- Jennifer Henderson urged the team to look at the timings of when we can have an impact and the order in which we do things in. The contribution of unpaid carers should be properly represented in roundtable discussions, and they should be remunerated for their time.
- Sophie Flemig asked what feedback had already been received from advisory groups in terms of their views in this area. Antony Clark explained this.
- Both Andrew Burns and Malcolm Bell confirmed their support for the programme for work and are happy with potential focus on commissioning which could have a bigger impact.

- Ronnie Hinds noted his thanks to Christine Lester on behalf of the Commission for her perseverance in the drug and alcohol work and continued efforts to increase the focus on health and social care issues.

Following discussion, the Committee:

- Agreed that the focus should be on commissioning, for the first 'Spotlight' theme.
- Agreed to delegate to sponsors the approach set out in paragraph 20 for approval of scoping documents for the planned Drug and alcohol services performance audit.
- Agreed that new members will be allocated to the role of sponsors for this audit on their appointment. Ronnie suggested that the team contact him in the meantime until sponsors have been appointed.

Action: Policy Manager

8. Any other business

The Chair, having advised that there was no business for this item, closed the meeting.

Close of meeting

The meeting finished at 13.10 pm.

Minutes

Performance Audit Committee

Thursday 23 November 2023,

11.35 am

Online via Microsoft Teams

Present:

Christine Lester (Chair)

Andrew Burns

Jennifer Henderson

Ronnie Hinds

Angela Leitch

Apologies:

Apologies were received for Malcolm Bell.

In attendance:

Allan Campbell, Secretary to the Accounts Commission

Antony Clark, Executive Director of Performance Audit and Best Value (PABV) (items 4 & 5)

Carol Calder, Audit Director, PABV (item 4)

Kathrine Sibbald, Senior Manager, PABV (item 4)

Zoe McGuire, Audit Manager, PABV (item 4)

Mark Taylor, Audit Director, PABV (item 5)

Helena Gray, Controller of Audit

Jack Nixon (minutes)

Carol Evans, Accounts Commission member

Ruth MacLeod, Accounts Commission member

Michael Neilson, Accounts Commission member

Derek Yule, Accounts Commission member

Joe Chapman, Policy Manager to the Accounts Commission

Christopher Lewis, Senior Auditor, PABV

Claire Richards, Senior Auditor, PABV

Gillian Simpson, Business Manager, PABV

1. Apologies for absence

Apologies were received for Malcolm Bell.

2. Declaration of connections or conflict

There was no declaration of connections or conflict.

3. Minutes of meeting of 23 August 2023

The minutes of the meeting of 23 August 2023 were noted, the Commission having previously approved them as a correct record and agreed the recommendations therein.

4. IJB Finance and performance report

The Committee considered a briefing by the Executive Director of PABV on IJB Finance and performance report.

During discussion, the Committee discussed the following:

- Antony Clark provided an overview of IJB reporting to date and explained that health and social care is a shared area of interest for the Commission and the Auditor General, with potential for joint reporting including on the implementation of integration and on the National Care Service.
- It was agreed the scope of this year's audit is very ambitious and some areas and topics may be more prevalent in the final report – the audit team are keen to work with sponsors on this throughout scoping and drafting. It was also acknowledged that not everything needs to be included in the report itself – some areas could be covered via other outputs.
- The committee agreed this report provides a real opportunity to set out what IJBs do and where they sit in the landscape and outline any regional differences. There is also an opportunity to assess the impact or the difference that IJBs are making, using examples and case studies to highlight good practice and areas for improvement.
- Antony Clark advised the intention was to use national comparisons across IJBs and look at them thematically, rather than seek to make judgements for example about the relative effectiveness of different models of commissioning. The committee also discussed correlation analysis between deprivation within council areas with outcomes and performance.
- Regarding timescales for the report, the audit team are confident of meeting the target publication date, and it was agreed that it will be important to publish the report before the summer recess, with the scope to be adjusted if necessary to achieve this.

Following discussion, the Committee:

- The Committee delegated authority for the upcoming social care blog to the sponsors for sign off.
- Agreed the scope and I&I for the audit.

5. Dynamic work programme: process & approach

The Committee considered a briefing by the Audit Director on the Dynamic work programme: process & approach.

During discussion, Mark Taylor advised the Committee of the systematic update process, enabling the Commission and AGS to consider and approve changes to the programme throughout the year. It is planned to move to a triannual process (3 times a year) from the start of 2024. The recent addition of resource/cost information was also highlighted.

Mark Taylor explained that the purpose of today's paper is to prompt reflections and questions on the process; the next work programme update paper, in February, will present options for the Commission.

Ronnie Hinds commented that there is limited additional capacity as the work programme is fairly full, so decisions would have to be made about which work a new audit would replace.

Following discussion, the Committee noted the report.

6. Any other business

The Chair, having advised that there was no business for this item, closed the meeting.

Close of meeting

The meeting finished at 12.50 pm.

Minutes

Joint meeting of the Financial Audit and Assurance and Performance Audit Committees
Thursday 24 November 2023, 10.30 am
Online via Microsoft Teams

Present:

Ronnie Hinds (Interim Chair)
Andrew Burns
Andrew Cowie
Carol Evans
Jennifer Henderson
Angela Leitch
Christine Lester
Ruth MacLeod
Mike Neilson
Derek Yule

Apologies:

Apologies were received from Malcolm Bell and Nichola Brown

In attendance:

Allan Campbell, Secretary to the Commission
Helena Gray, Controller of Audit
Elaine Boyd, Director, Audit Quality and Appointments (AQA) (item 1)
Owen Smith, Senior Manager, AQA (item 1)
Kenny Oliver, Executive Director of Innovation and Quality
Antony Clark, Executive Director of Performance Audit and Best Value (PABV)
John Cornett, Executive Director of Audit Services
Mark Taylor, Audit Director, PABV

1. Interim audit quality report

The Committees considered a report by the Audit Quality and Appointments (AQA) team, providing an update on Audit Quality.

During discussion, the Committee: discussed the following:

- Elaine Boyd confirmed there has been a good level of compliance of annual audit plans (AAPs) with the 2021 Code of Audit Practice.
- In terms of audit delivery timescales, performance against target dates is similar to last year, despite the restricted timescales and it being the first year of the new audit appointments. It was pointed out that under the reduced timescales as part of the recovery from the pandemic, the target date has come forward from 31 October in 2022 to 30 September in 2023; on a like-for-like basis, significantly more audits were completed by the same date this

year compared to last year, and this year's target date will be used as a standardised date for comparison in future years.

- It was advised the Audit Scotland quality improvement plan is now progressing which will be reflected in June in the Quality of Public Audit in Scotland (QPAS) report published alongside the Accounts Commission and Audit Scotland's Annual Reports – although the improvement plan itself it may not be completed prior to the QPAS. For comfort Elaine Boyd advised that Innovation and Quality (I&Q) are undertaking hot reviews to track progress alongside external reviews by the ICAEW throughout the year.
- Elaine Boyd provided reassurance on the estimate that 70% of ASG 2023/24 audits will be delivered within planning guidance timescales. It was advised that the priority is audit quality rather than delivery targets.
- In relation to paragraph 40, Committee members queried why KPMG and Grant Thornton delivery figures were lower in comparison to other providers. AQA colleagues advised there were genuine reasons for the lower delivery figures and there is no fundamental issue with the audits. Owen Smith clarified that although some audit firms have fewer audits than others, each firm has a similar size of portfolio in terms of value.
- Elaine Boyd responded to a query regarding paragraph 50 relating to engagement with councils on specific issues such as valuations and increased prior year adjustments. It was advised individual auditors have different approaches to risk and AQA colleagues are working with providers to understand these. AQA advised audit rotation provided overall reassurance of audit quality. Additionally specific issues such as valuations are addressed through technical guidance notes developed by Audit Scotland colleagues and other providers and discussed with Council Directors of Finance on a regular basis.

Action – Director of AQA

- Elaine Boyd responded to a question about a decline in timeliness of Local Government audits. It was highlighted that the sector includes a number of very small bodies / funds in addition to councils and IJBs. It was agreed AQA, and the Commission should further evaluate local government audit delivery as it is very complex due to the make-up of the audited bodies. John Cornett and Ronnie Hinds advised of discussions with LASAAC and CIPFA regarding the complexity of Local Government accounts with an aim to consolidate and simplify them.

Following discussion, the Committee noted the recommendations outlined in the paper.

2. Commission business and audit risk management arrangements

The Committees considered a report by the Secretary to the Accounts Commission, providing an update on Commission business and the audit risk management arrangements.

During discussion, the Committee was supportive of the approach outlined in paragraph 6 of the cover paper.

Committee members discussed introducing RAG scoring and outlining the Commission's risk appetite as part of the review. There was also discussion of the various forms and sources of information or intelligence that are gathered and ensuring that these feed into the risk management process.

Following discussion, the Committee agreed it is the ideal opportunity for the review of the Commission's risk arrangements and looked forward to seeing an update at either the next Committee meeting or a Commission meeting.

Action – Commission Support team

Close of meeting

The meeting finished at 11.20 am.